

Additional Appraisal Requirements Memorandum

To the extent there is any conflict between the requirements of this Memorandum and the *Multifamily Seller/Service Guide* (Guide), the requirements of this Memorandum will govern.

If you have any questions, please contact the [Multifamily Appraisal team](#).

Sales Comparison Approach (Guide Section 60.14b)

Given the current volatility in several multifamily submarkets across the country, all multifamily appraisal reports prepared for Freddie Mac must now include at least one relevant listing or pending sale (other than the subject property). Current contracts and competitive property listings can help provide additional support to the value conclusion(s) when market conditions are changing. The weight given to a contract or listing might be different from the weight given to the actual sales transactions, and the appraiser must discuss these differences in the appraisal. Additionally, when there is a lack of similar listings, pending or closed sales comparables, the appraisal must include an adequate explanation of the efforts undertaken to uncover relevant comparables (e.g., search parameters, verification efforts, etc.).

Broker Interviews (Guide Section 60.14c)

The capitalization rate and market conditions adjustments must be supported with comparable sales and current surveys/interviews of local real estate participants for knowledge of the property's submarket and investment considerations. **These surveys must be dated within two months before the effective date of value.** Adequate documentation, such as the date of survey (month/year is sufficient) and, if not confidential, the name, title and company of the individual surveyed must be included. If these items are confidential, the appraiser must provide a description of the position or background of the individual in the appraisal report.

Effective Date of Value (Guide Section 60.9)

In response to changing market conditions, Freddie Mac Underwriting will be assessing the reliability of any appraisal report with an effective date of value more than 90 days from the date of full underwriting package delivery. If the effective date of value is expected to be greater than 90 days from submission to Freddie Mac, please immediately inform Freddie Mac Underwriting. **Appraisals with an effective date within six months are still acceptable;** however, after internal review, Freddie Mac may request additional information, market support or an updated appraisal if internal review determines the valuation and analyses are no longer credible due to deteriorating market conditions.

Appraisal Training Requirements (Guide Section 60.2b)

Seller/Service leadership responsible for managing Appraisal ordering and review function must complete the following Freddie Mac required Appraisal training:

- [Evaluating a Report for USPAP Compliance](#)
 - Provider: McKissock
 - Due date: May 31, 2025
 - Additional information: Email the certificate of completion provided by McKissock to multifamily_appraisals@freddiemac.com

Any person involved in substantive Appraisal review or in the selection of Independent Parties for inclusion on a list of approved Independent Parties must complete the following Freddie Mac required Appraisal training:

- None